



FAIR WORK  
AUSTRALIA



2 July 2010

Mr Dean Mighell  
Secretary, Victorian (Electrical Divisional) Branch  
CEPU  
PO Box 432  
NORTH MELBOURNE VIC 3051

Dear Mr Mighell

**Re: Lodgement of Financial Statements and Accounts – Victorian (Electrical Divisional)  
Branch – for year ending 31 December 2009 (FR2009/10310)**

Thank you for lodging the above financial return which was received by Fair Work Australia on 30 June 2010.

The documents have been filed.

Yours sincerely,

Stephen Kellett  
Statutory Services Branch

30 June 2010

Stephen Kellett  
Statutory Services Branch  
Fair Work Australia  
Level 8, 80 William St  
East Sydney NSW 2011

By email: [stephen.kellett@fwa.gov.au](mailto:stephen.kellett@fwa.gov.au)

Dear Mr Kellett

**Lodgement of Financial Statements and Accounts – CEPU  
Electrical Division, Victorian Branch – for year ending 31  
December 2009**

Please find attached the financial statements and accounts for  
lodgement with Fair Work Australia.

If you have any questions, please do not hesitate to contact my  
office.

Yours sincerely



**DEAN MIGHELL  
STATE SECRETARY**

attach  
5035dm



**ETU**

**Proud to be Union**

**ELECTRICAL TRADES  
UNION OF AUSTRALIA  
VICTORIAN BRANCH**

Communications, Electrical,  
Electronic, Energy, Information,  
Postal, Plumbing and Allied  
Services Union of Australia

**President**

John Doran

**Secretary**

Dean Mighell

**Assistant Secretaries**

Howard Worthing

Troy Gray

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**Electrical Trades Union of  
Australia - Victorian Branch (Formerly  
Electrical Trades Union of  
Australia - Southern States Branch)**

**Consolidated Financial Statements**

**For the Year Ended 31 December 2009**

# Electrical Trades Union of Australia - Victorian Branch

For the Year Ended 31 December 2009

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# Electrical Trades Union of Australia - Victorian Branch

## Operating Report

For the Year Ended 31 December 2009

Your committee presents its report on the union and its controlled entities for the financial year ended 31 December 2009

### 1. General information

#### a Members

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 we advise that the names of those who have been members of the Branch Executive at any time during, or since the end of the year are:

Names	Appointment / Resignation Date
Dean Mighell	
John Doran	
Gary Carruthers	
Graeme Watson	
Paul Swann	
Mark Farrell	

All other members of the Branch Executive held office for the full year to the date of this report unless otherwise stated.

#### b Union Secretary

The following person held the position of state secretary of the Electrical Trades Union of Australia - Victorian Branch at the end of the financial year:

Dean Mighell

#### c Principal Activities of the Victorian Branch

The principal activities of the economic entity during the financial year were:

- Implementation of the decisions of the Branch Executive and Branch Council;
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns;
- Industrial support including representation of individual member grievances, advice on legal and legislative matters, pursuing relevant changes to the conditions of eligibility rules of the union, and responding to other union's rules applications where they impact on membership of the ETU;

# Electrical Trades Union of Australia - Victorian Branch

## Operating Report

For the Year Ended 31 December 2009

### 1. General information continued

#### c Principal Activities of the Victorian Branch continued

- The administration of federal awards, the variation of awards following major test cases (such as living wage) and making applications to vary federal awards on behalf of branches;
- Management of information technology and strategic membership systems designs to support organising;
- Media and communications to members and to the broader community via media releases in support of campaigns, video and film development, and targeted publications, including the magazine ETU News; and
- National bargaining in key industries and assistance to branches on bargaining by request.

The branch has also been involved in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to ETU members, e.g. shorter hours, apprentices, safety and licences.

#### d Right of Members to Resign

All members of the union have the right to resign from the union in accordance with the rules of the union and section 174 of the Fair Work (Registered Organisations) Act 2009; namely by providing written notice addressed and delivered to the secretary of the relevant branch, including via email.

#### e Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

No officers of the branch held the position of Trustee or director of a trustee company of a superannuation entity or exempt public sector superannuation scheme.

### 2. Business review

#### a Operating result

The consolidated surplus of the union for the financial year amounted to \$ 491,450 (2008: \$ 2,404,475).

#### b Review of operations

A review of the operations of the economic entity during the financial year and the results of those operations found:

- There were 17,426 total members of the union at 31 December 2009 (2008: 17,644); and
- As at 31 December 2009 the Electrical Trades Union of Australia - Victorian Branch employed 39 full time employees.

# Electrical Trades Union of Australia - Victorian Branch

## Operating Report

For the Year Ended 31 December 2009

### 3. Other Items

#### a Significant Changes in State of Affairs

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

The Arden Trust, Swanston Trust, Morwell Trust and Comrades Trust were established in December 2009.

#### b After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in future financial years.

#### c Auditors Independence Declaration

The lead auditors' independence declaration for the year ended 31 December 2009 has been received and can be found on page 6.

#### d Rounding of amounts

Amounts in the financial statements and operating report have been rounded to the nearest dollar.

### 4. Sign off details

Signed in accordance with a resolution of the Committee of Management:

Branch Secretary:  .....

Dean Mighell

Dated this 29<sup>th</sup> day of JUNE 2010

# Electrical Trades Union of Australia - Victorian Branch

## Statement by Committee of Management

For the Year Ended 31 December 2009

On the 29/06/2010 the Executive Committee of the Electrical Trades Union Of Australia – Victorian Branch, passed the following resolution in relation to the general purpose financial report for the year ended 31 December, 2009.

The Electrical Trades Union of Australia - Victorian Branch declares in relation to the GPFR that in its opinion:

- (a) The financial report and notes comply with the Australian Accounting Standards;
- (b) The financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia for the purposes of section 270 of the Fair Work (Registered Organisations) Act 2009;
- (c) The financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Electrical Trades Union of Australia – Victorian Branch for the financial year ended 31 December, 2009
- (d) There are reasonable grounds to believe that the Electrical Trades Union of Australia – Victorian Branch will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year ended 31 December, 2009 and since the end of the financial year:
  - i) Meetings of the Branch Executive were held in accordance with the rules of the Electrical Trades Union of Australia – Victorian Branch ;
  - ii) The financial affairs of the Electrical Trades Union of Australia – Victorian Branch have been managed in accordance with the rules of the Electrical Trades Union of Australia – Victorian Branch;
  - iii) The financial records of the Electrical Trades Union of Australia – Victorian Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - iv) The financial records of the Electrical Trades Union of Australia – Victorian Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the national organisation;
  - v) No information has been sought in any request of a member of the Electrical Trades Union of Australia or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - vi) No orders have been made by the General Manager of Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.

This declaration is made in accordance with a resolution of the Committee of Management.

Branch Secretary: .....

Dean Mitchell

Dated this 29<sup>th</sup> day of June 2010



# Electrical Trades Union of Australia - Victorian Branch

Statement by Committee of Management

For the Year Ended 31 December 2009

## Electrical Trades Union of Australia - Victorian Branch

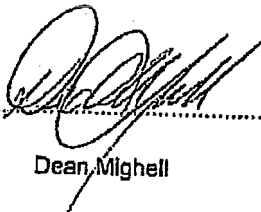
Certificate of Secretary

For the Year Ended 31 December 2009

I, Dean Mighell, being the State Secretary of the Electrical Trades Union of Australia - Victorian Branch certify:

- (a) That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009;
- (b) The full report was provided to members on 29 June 2010; and
- (c) The full report was presented to a meeting of the committee of management of the reporting unit on 29 June 2010 in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.

State Secretary: .....



Dean Mighell

Dated: 29 June 2010

**LDB Audit Services Pty Ltd**  
ABN 59 123 774 569 ACN:123 774 569

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**AUDIT SERVICES**

## **Electrical Trades Union of Australia - Victorian Branch**

**Independent Audit Report to the members of Electrical Trades Union of Australia - Victorian Branch**

### **Report on the Financial Report**

We have audited the accompanying financial report of Electrical Trades Union of Australia - Victorian Branch, which comprises the statement of financial position as at 31 December 2009, and the statement of financial performance, statement of changes in equity and cash flow statement for the year ended that date, a summary of significant accounting policies, other explanatory notes and the statement by committee of management of the consolidated entity comprising the Electrical Trades Union of Australia - Victorian Branch and the entities it controlled at the year's end or from time to time during the financial year.

### **Committee's Responsibility for the Financial Report**

The union's committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisation) Act 2009. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**LDB Audit Services Pty Ltd**

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**AUDIT SERVICES**

## **Electrical Trades Union of Australia - Victorian Branch**

**Independent Audit Report to the members of Electrical Trades Union of Australia - Victorian Branch**

### **Independence**

In conducting our review, we have complied with the independence requirements of the Fair Work (Registered Organisation) Act 2009. We confirm that the independence declaration required by the Fair Work (Registered Organisation) Act 2009, provided to the committee of Electrical Trades Union of Australia - Victorian Branch, would be in the same terms if provided to the committee as at the date of this auditor's report.

### **Auditor's Opinion**

In our opinion the financial report of Electrical Trades Union of Australia - Victorian Branch is in accordance with the Fair Work (Registered Organisations) Act 2009, including:

- (a) giving a true and fair view of the union's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Fair Work (Registered Organisation) Act 2009 and other mandatory professional reporting requirements.

  
Craig Lutwyche  
Director

LDB Audit Services Pty Ltd  
Suite 3  
1-3 Albert Street  
BLACKBURN, VIC 3130

Dated this 29<sup>th</sup> day of June 2010

# Electrical Trades Union of Australia - Victorian Branch

## Statement of Financial Performance

For the Year Ended 31 December 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Revenue	2	10,661,034	11,465,508	10,537,374	11,464,070
Other income	3	1,614,105	2,746,042	992,247	2,736,020
Changes in Inventories of finished goods and work in progress		(840,774)	(1,036,770)	(840,774)	(1,036,770)
Employee benefits expense		(5,037,558)	(5,221,505)	(5,037,558)	(5,221,505)
Depreciation, amortisation and impairments	12(b)	(927,656)	(968,114)	(910,581)	(976,652)
Other expenses	5	(4,977,701)	(4,580,686)	(10,676,106)	(5,858,314)
<b>Surplus attributable to members</b>		<b>491,450</b>	<b>2,404,475</b>	<b>(5,935,398)</b>	<b>1,106,849</b>

# Electrical Trades Union of Australia - Victorian Branch

## Statement of Financial Position

As At 31 December 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	13,823,297	15,338,056	3,558,718	5,777,339
Trade and other receivables	7(a)	1,228,098	1,015,818	2,450,796	1,006,169
Inventories	8	288,845	317,876	288,845	317,876
Other current assets	9	89,441	101,528	88,171	100,259
<b>Total current assets</b>		<b>15,429,681</b>	<b>16,773,278</b>	<b>6,386,530</b>	<b>7,201,643</b>
<b>Non-current assets</b>					
Trade and other receivables	7(b)	492,781	518,697	494,960	520,072
Financial assets	10	7,898,358	5,277,159	4,249,704	2,508,088
Property, plant and equipment	12	19,564,603	18,778,979	4,232,478	17,518,554
<b>Total non-current assets</b>		<b>27,955,742</b>	<b>24,574,835</b>	<b>8,977,142</b>	<b>20,546,714</b>
<b>TOTAL ASSETS</b>		<b>43,385,423</b>	<b>41,348,113</b>	<b>15,363,672</b>	<b>27,748,357</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	13	1,167,108	616,307	1,216,220	767,261
Short-term provisions	14	1,590,538	1,475,145	1,590,538	1,475,145
Other current liabilities	15	2,303,417	2,055,852	2,281,917	2,055,852
<b>Total current liabilities</b>		<b>5,061,063</b>	<b>4,147,304</b>	<b>5,088,675</b>	<b>4,298,258</b>
<b>Non-current liabilities</b>					
Other long-term provisions	14	77,292	73,148	77,292	73,148
<b>Total non-current liabilities</b>		<b>77,292</b>	<b>73,148</b>	<b>77,292</b>	<b>73,148</b>
<b>TOTAL LIABILITIES</b>		<b>5,138,355</b>	<b>4,220,452</b>	<b>5,165,967</b>	<b>4,371,406</b>
<b>NET ASSETS</b>		<b>38,247,068</b>	<b>37,127,661</b>	<b>10,197,705</b>	<b>23,376,951</b>
<b>EQUITY</b>					
Reserves	16	7,883,750	7,369,550	-	7,243,848
Distributable reserve		30,363,318	29,758,111	10,197,705	16,133,103
<b>TOTAL EQUITY</b>		<b>38,247,068</b>	<b>37,127,661</b>	<b>10,197,705</b>	<b>23,376,951</b>

# Electrical Trades Union of Australia - Victorian Branch

## Statement of Changes in Equity

For the Year Ended 31 December 2009

2009	Accumulated	Parent	Total
	Surplus	Asset Revaluation Reserve	
	\$	\$	\$
Balance at 1 January 2009	16,133,103	7,243,848	23,376,951
Surplus attributable to members	(5,935,398)	-	(5,935,398)
Revaluation increment (decrement)	-	294,300	294,300
Transfer from asset revaluation reserve realised increment on property transfer to the ETU trusts	-	(7,538,148)	(7,538,148)
<b>Sub-total</b>	<b>(5,935,398)</b>	<b>(7,243,848)</b>	<b>(13,179,246)</b>
<b>Balance at 31 December 2009</b>	<b>10,197,705</b>	<b>-</b>	<b>10,197,705</b>

2008	Accumulated	Parent	Total
	Surplus	Asset Revaluation Reserve	
	\$	\$	\$
Balance at 1 January 2008	15,091,150	7,803,848	22,894,998
Surplus attributable to members	1,108,849	-	1,108,849
Adjustments on Separation of Tasmania Branch	(64,896)	(560,000)	(624,896)
<b>Sub-total</b>	<b>1,041,953</b>	<b>(560,000)</b>	<b>481,953</b>
<b>Balance at 31 December 2008</b>	<b>16,133,103</b>	<b>7,243,848</b>	<b>23,376,951</b>

# Electrical Trades Union of Australia - Victorian Branch

## Statement of Changes in Equity

For the Year Ended 31 December 2009

2009	Consolidated		
	Accumulated Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2009	29,758,111	7,369,550	37,127,661
Surplus attributable to members	491,450	-	491,450
Revaluation increment (decrement)	-	514,200	514,200
Trust corpus received	375,680	-	375,680
Distribution of trust corpus	(261,923)	-	(261,923)
<b>Sub-total</b>	<b>605,207</b>	<b>514,200</b>	<b>1,119,407</b>
<b>Balance at 31 December 2009</b>	<b>30,363,318</b>	<b>7,883,750</b>	<b>38,247,068</b>
2008	Consolidated		
	Accumulated Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2008	27,511,227	7,881,172	35,392,399
Surplus attributable to members	2,404,475	-	2,404,475
Revaluation increment (decrement)	-	48,378	48,378
Adjustments on Separation of Tasmania Branch	(64,896)	(560,000)	(624,896)
Distribution of trust corpus	(92,695)	-	(92,695)
<b>Sub-total</b>	<b>2,246,884</b>	<b>(511,622)</b>	<b>1,735,262</b>
<b>Balance at 31 December 2008</b>	<b>29,758,111</b>	<b>7,369,550</b>	<b>37,127,661</b>

# Electrical Trades Union of Australia - Victorian Branch

## Cash Flow Statement

For the Year Ended 31 December 2009

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
<b>Cash from operating activities:</b>					
Receipts from customers		11,609,311	11,887,271	11,391,766	11,556,202
Payments to suppliers and employees		(10,674,983)	(11,131,253)	(10,485,815)	(11,047,105)
Dividends received		-	3,978	-	3,978
Interest received		1,081,041	1,256,540	445,342	623,014
<b>Net cash provided by (used in) operating activities</b>	17(a)	<b>2,015,369</b>	<b>2,016,536</b>	<b>1,351,293</b>	<b>1,136,089</b>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of plant and equipment		82,020	155,865	82,020	155,865
Proceeds from investment matured		-	2,000,000	-	-
Non-current bank bills matured within 12 months		500,000	-	500,000	-
Acquisition of property, plant and equipment		(620,202)	(637,489)	(620,202)	(628,102)
Acquisition of other investments		(3,547,405)	(3,500,000)	(2,029,320)	(2,000,000)
Loans to related parties - payments made		(59,918)	(91,670)	(1,276,058)	(187,351)
<b>Net cash provided by (used in) investing activities</b>		<b>(3,645,505)</b>	<b>(2,073,294)</b>	<b>(3,343,560)</b>	<b>(2,659,588)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from receipts of trust corps		375,682	-	-	-
Loans from the related parties		1,618	-	1,618	-
Repayment of loan from related parties		-	-	(227,972)	(2,579,850)
Beneficiary payments		(261,923)	(92,695)	-	-
<b>Net cash provided by (used in) financing activities</b>		<b>115,377</b>	<b>(92,695)</b>	<b>(226,354)</b>	<b>(2,579,850)</b>
<b>Other activities:</b>					
<b>Net increase (decreases) in cash held</b>		<b>(1,514,759)</b>	<b>(149,453)</b>	<b>(2,218,621)</b>	<b>(4,103,349)</b>
Cash at beginning of financial year		15,338,056	15,497,477	5,777,339	9,890,656
Cash transfer out due to the separation of Tasmania Branch		-	(9,968)	-	(9,968)
<b>Cash at end of financial year</b>	6(c)	<b>13,823,297</b>	<b>15,338,056</b>	<b>3,558,718</b>	<b>5,777,339</b>



# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies

#### (a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other mandatory professional requirements and the Fair Work (Registered Organisations) Act 2009, except for AASB124.

The financial report covers the economic entity of Electrical Trades Union of Australia - Victorian Branch and controlled entities, and Electrical Trades Union of Australia - Victorian Branch as an individual parent entity. Electrical Trades Union of Australia - Victorian Branch is a registered trade union domiciled in Australia.

The financial report of Electrical Trades Union of Australia - Victorian Branch and controlled entities, and Electrical Trades Union of Australia - Victorian Branch as an individual parent entity comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### (b) Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### (c) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### (d) Principles of Consolidation

##### i Controlled entities

A list of controlled entities is contained in Note 11 to the financial statements. All controlled entities have a June financial year-end.

##### ii Inter-entity balances

All inter-entity balances and transactions between entities in the economic entity, including any unrealised surpluses or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (d) Principles of Consolidation continued

##### iii Principles of Consolidation

A controlled entity is an entity that Electrical Trades Union of Australia - Victorian Branch has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities.

#### (e) Income Tax

No provision for Income Tax is required as the union is exempt from Income Tax under section 50-15 of the *Income Tax Assessment Act 1997*.

#### (f) Inventories

Inventories are measured at the lower of cost and net realisable value.

#### (g) Property, Plant and Equipment

##### i General Information

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

##### ii Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the committee of management.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

##### iii Plant and Equipment - measurement

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

##### iv Increases in carrying amount

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of financial performance. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of financial performance and depreciation based on the assets original cost is transferred from the revaluation reserve to retained earnings.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (g) Property, Plant and Equipment continued

##### v Depreciation

The depreciable amount of buildings is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the building is held ready for use. All other fixed assets excluding freehold land, are depreciated on a diminishing value basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation.

##### vi Depreciation rates

The depreciation rates used for each class of depreciable assets are:

Buildings	2.5%
Furniture, Fixtures and Fittings	11.25%
Motor Vehicles	18.75%
Office Equipment	10 - 15%
Computer Equipment	37.5%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

#### (h) Investment Property

Investment property, comprising of freehold office complexes, is held to generate long-term rental yields. All tenant leases are on an arm's length basis. Investment property is carried at fair value, determined with an independent valuation every three years and annual appraisals being made by the committee of management. Changes to fair value are recorded in the statement of financial performance as other income.

#### (i) Leases

Income is derived from rental operations which represents the letting of excess office space in the union's buildings to outside parties. These parties include other unions, allied organisations and commercial entities.

#### (j) Financial Instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the economic entity commits itself to either purchase or sale of the asset (ie trade date accounting is adopted).

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (j) Financial Instruments continued

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### Classification and subsequent measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as:

- the amount in which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Economic Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (j) Financial Instruments continued

##### (ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

##### (iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the economic entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

##### (iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

##### (v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

#### **Financial assets at fair value through profit and loss**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the statement of financial performance in the period in which they arise.

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

#### **Held-to-maturity investments**

These investments have fixed maturities, and it is the economic entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the economic entity are stated at amortised cost using the effective interest rate method.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (j) Financial Instruments continued

##### Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

##### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

##### Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

##### Impairment

At each reporting date, the economic entity assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of financial performance.

##### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

#### (k) Impairment of Assets

##### 1 Impairment determination

At each reporting date, the economic entity reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of financial performance.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (k) Impairment of Assets continued

##### ii Recoverable amount not possible to estimate

Where it is not possible to estimate the recoverable amount of an individual asset, the economic entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### (l) Employee benefits

A provision is made for the union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

#### (m) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### (n) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### (o) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from rental activities is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 1 Accounting policies continued

#### (p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### 2 Revenue

#### Operating activities

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Donations	-	1,686	-	248
Management fees	3,488,896	3,367,120	3,392,095	3,367,120
Member subscriptions	6,381,853	7,233,412	6,381,853	7,233,412
Other revenue	31,450	7,701	31,450	7,701
Rental revenue	712,041	801,902	685,181	801,902
Sale of goods	46,794	53,687	46,794	53,687
<b>Total Revenue</b>	<b>10,661,034</b>	<b>11,465,508</b>	<b>10,537,373</b>	<b>11,464,070</b>

### 3 Other income

#### (a) Other operating income

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Commissions		22,296	89,515	22,296	89,515
Directors fees		110,417	279,491	110,417	44,946
Dividend income	3(b)	-	3,978	-	3,978
Government grants		123,191	302,991	123,191	302,991
Interest income	3(c)	1,336,640	1,257,809	628,550	581,031
Trust distributions		-	-	97,123	1,298,501
Movement in Net Market Value		-	397,200	-	-
Protect distribution		10,028	411,892	10,028	411,892
Recoveries		325	2,867	325	2,867
Sundry income		11,208	299	317	299
<b>Total</b>		<b>1,614,105</b>	<b>2,746,042</b>	<b>992,247</b>	<b>2,736,020</b>



# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 3 Other income continued

#### (b) Dividend revenue breakup

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Dividend revenue from:				
Professional Investment Holdings	-	3,978	-	3,978
<b>Total dividend revenue</b>	<b>-</b>	<b>3,978</b>	<b>-</b>	<b>3,978</b>

#### (c) Interest revenue breakup

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Interest revenue from:				
bank	1,336,640	1,257,809	628,550	581,031
<b>Total interest revenue</b>	<b>1,336,640</b>	<b>1,257,809</b>	<b>628,550</b>	<b>581,031</b>

### 4 Auditors' Remuneration

#### Remuneration details

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Remuneration of the auditor of the parent entity for:				
- Auditing or reviewing the financial report	31,768	34,180	31,768	34,180
- Other services	3,724	9,375	3,724	9,375
<b>Total</b>	<b>35,492</b>	<b>43,555</b>	<b>35,492</b>	<b>43,555</b>

### 5 Other Expenses

#### (a) Bad & Doubtful debts

A doubtful debts provision is raised by the Electrical Trades Union - Victorian Branch for bad and doubtful debts incurred as a result of unpaid membership fees and other unpaid transactions previously recorded as income. Movements in this provision are recognised through the income statement.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 5 Other Expenses continued

#### (b) Legal Expenses

Legal expenses of \$197,643 (2008: \$303,697) are incurred by the union both in pursuing industrial action and in other activities associated with the operations of the union.

#### (c) Political Funding and Other Donations

Consistent with the aims of the organisation the union from time to time provides funding and donations to political candidates and other like-minded organisations.

### 6 Cash and cash equivalents

#### (a) Summary

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Cash on hand	5,803	6,303	5,750	6,250
Cash at bank	99,531	564,739	70,242	109,996
Short-term bank deposits	13,217,963	14,767,014	2,982,726	5,661,093
Other cash and cash equivalents	500,000	-	500,000	-
	<u>13,823,297</u>	<u>15,338,056</u>	<u>3,558,718</u>	<u>5,777,339</u>

#### (b) Effective Interest Rate

The effective interest rate on short-term bank deposits was 4.7% (2008: 5.7%); these deposits have an average maturity of 90 days.

#### (c) Reconciliation of Cash

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:				
Cash and cash equivalents	13,823,297	15,338,056	3,558,718	5,777,339
	<u>13,823,297</u>	<u>15,338,056</u>	<u>3,558,718</u>	<u>5,777,339</u>

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 7 Trade and other receivables

#### (a) Current receivables

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>CURRENT</b>				
Trade receivables	863,218	927,442	863,218	884,442
Provision for impairment of receivables	(89,837)	(259,870)	(89,837)	(259,870)
	<u>773,381</u>	<u>667,572</u>	<u>773,381</u>	<u>624,572</u>
Other receivables - Other	57,439	8,591	57,440	8,591
Interest receivables	215,183	217,479	38,685	67,774
Amounts receivable from:				
- wholly-owned subsidiaries	-	-	1,399,196	183,056
- associates	100,000	82,324	100,000	82,324
- other related parties	82,094	39,852	82,094	39,852
	<u>1,228,097</u>	<u>1,015,818</u>	<u>2,450,796</u>	<u>1,006,169</u>

#### (b) Non current receivables

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>NON-CURRENT</b>				
Related entity - unpaid trust distributions	492,608	518,524	492,608	518,524
Amounts receivable from:				
- wholly-owned subsidiaries	-	-	2,352	1,548
- holding companies	173	173	-	-
	<u>492,781</u>	<u>518,697</u>	<u>494,960</u>	<u>520,072</u>

### 8 Inventories

#### Current Inventories

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>CURRENT</b>				
Merchandise	288,845	317,876	288,845	317,876
	<u>288,845</u>	<u>317,876</u>	<u>288,845</u>	<u>317,876</u>

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 9 Other Assets

#### Other Current Assets

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>CURRENT</b>				
Prepayments	89,441	101,528	88,171	100,259
	<u>89,441</u>	<u>101,528</u>	<u>88,171</u>	<u>100,259</u>

### 10 Financial Assets

#### (a) Summary

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Available for sale financial assets	10(b)	1,372,323	2,056,423	225,836	225,836
Held-to-maturity financial assets	10(c)	6,526,035	3,220,736	4,023,868	2,282,252
		<u>7,898,358</u>	<u>5,277,159</u>	<u>4,249,704</u>	<u>2,508,088</u>
Less non-current portion		(7,898,358)	(5,277,159)	(4,249,704)	(2,508,088)
Current portion		-	-	-	-

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 10 Financial Assets continued

#### (b) Available-for-sale Financial Assets

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Listed investments, at fair value					
shares in listed corporations		1,146,500	1,830,600	-	-
		<u>1,146,500</u>	<u>1,830,600</u>	<u>-</u>	<u>-</u>
Unlisted investments, at cost					
shares in controlled entities		-	-	13	13
shares in other related parties	10(d)	72	72	72	72
units in unit trusts	10(d)	225,750	225,750	225,750	225,750
		<u>225,822</u>	<u>225,822</u>	<u>225,835</u>	<u>225,835</u>
Unlisted investment, at recoverable amount					
shares in other corporations at cost	10(d)	374,250	374,250	374,250	374,250
Less: impairment provision	10(d)	(374,249)	(374,249)	(374,249)	(374,249)
		<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>Total available-for-sale financial assets</b>		<b><u>1,372,323</u></b>	<b><u>2,056,423</u></b>	<b><u>225,836</u></b>	<b><u>225,836</u></b>

Available-for-sale financial assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

#### (c) Held-to-maturity Investments

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Government and fixed interest securities - non current	1,484,083	938,484	-	-
Bonds - non current	1,018,085	-	-	-
Other financial asset	4,023,867	2,282,252	4,023,868	2,282,252
	<u>6,526,035</u>	<u>3,220,736</u>	<u>4,023,868</u>	<u>2,282,252</u>

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 10 Financial Assets continued

#### (d) Investments in other entities

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Unlisted				
Sparkie Pty Ltd	2	2	2	2
IPP Pty Ltd	1	1	1	1
Elecnet Trust	5	5	5	5
IPP Property Trust	225,750	225,750	225,750	225,750
SAFS Unit Trust	65	65	65	65
	<b>225,823</b>	<b>225,823</b>	<b>225,823</b>	<b>225,823</b>

### 11 Controlled Entities

	Country of incorporation	Percentage Owned	Percentage Owned
		2009	2008
<b>Parent Entity:</b>			
Electrical Trades Union - Victorian Branch	Australia		
<b>Controlled Entities:</b>			
ETU - Victorian Branch Trust	Australia	100	100
ETU - (Victorian Branch) Distress, Mortality & Training Fund	Australia	100	100
ETU (Distress, Mortality & Training) Pty Ltd	Australia	100	100
ETU Arden Trust	Australia	100	
ETU Swanston Trust	Australia	100	
ETU Morwell Trust	Australia	100	
ETU Comrades Trust	Australia	100	
ETU (Southern States) Pty Ltd	Australia	100	100
ETU (National) Pty Ltd	Australia	100	100
Comrades Social Club Pty Ltd	Australia	100	100
ETU Pty Ltd	Australia	100	100

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 12 Property Plant and Equipment

#### (a) Property Plant and Equipment

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>LAND AND BUILDINGS</b>				
Buildings				
At independent valuation	15,343,875	14,620,000	-	13,345,000
Less accumulated depreciation	(14,250)	(246,725)	-	(229,650)
<b>Total buildings</b>	<b>15,329,625</b>	<b>14,373,275</b>	<b>-</b>	<b>13,115,350</b>
<b>Total land and buildings</b>	<b>15,329,625</b>	<b>14,373,275</b>	<b>-</b>	<b>13,115,350</b>
<b>PLANT AND EQUIPMENT</b>				
Furniture, fixture and fittings				
At cost	4,374,905	4,048,193	4,374,905	4,048,193
Less accumulated depreciation	(990,652)	(573,421)	(990,652)	(573,421)
<b>Total furniture, fixture and fittings</b>	<b>3,384,253</b>	<b>3,474,772</b>	<b>3,384,253</b>	<b>3,474,772</b>
Motor vehicles				
At cost	797,444	825,412	797,444	825,412
Less accumulated depreciation	(225,721)	(225,129)	(225,721)	(225,129)
<b>Total motor vehicles</b>	<b>571,723</b>	<b>600,283</b>	<b>571,723</b>	<b>600,283</b>
Office equipment				
At cost	407,149	375,788	407,149	375,788
Less accumulated depreciation	(196,807)	(155,052)	(196,807)	(155,052)
<b>Total office equipment</b>	<b>210,342</b>	<b>220,736</b>	<b>210,342</b>	<b>220,736</b>
Computer equipment				
At cost	358,185	356,943	358,185	356,943
Less accumulated depreciation	(292,025)	(249,530)	(292,025)	(249,530)
<b>Total computer equipment</b>	<b>66,160</b>	<b>107,413</b>	<b>66,160</b>	<b>107,413</b>
Other property, plant and equipment				
At independent valuation	2,500	2,500	-	-
<b>Total other property, plant and equipment</b>	<b>2,500</b>	<b>2,500</b>	<b>-</b>	<b>-</b>
<b>Total plant and equipment</b>	<b>4,234,978</b>	<b>4,405,704</b>	<b>4,232,478</b>	<b>4,403,204</b>
<b>Total property, plant and equipment</b>	<b>19,564,603</b>	<b>18,778,979</b>	<b>4,232,478</b>	<b>17,518,554</b>

In the current financial year property held by the economic entity was primarily owner occupied for the full year.

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 12 Property Plant and Equipment continued

#### (b) Movements in Carrying Amounts

##### Parent

	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	13,115,350	3,474,772	600,283	220,736	107,413	-	17,518,554
Additions	-	327,423	334,435	33,836	15,953	-	711,647
Disposals	(13,180,000)	(501)	(196,660)	(508)	(3,773)	-	(13,381,442)
Depreciation expense	(229,650)	(417,441)	(166,335)	(43,722)	(53,433)	-	(910,581)
Revaluation decrease recognised in equity	294,300	-	-	-	-	-	294,300
<b>Carrying amount at the end of year</b>	<b>-</b>	<b>3,384,253</b>	<b>571,723</b>	<b>210,342</b>	<b>66,160</b>	<b>-</b>	<b>4,232,478</b>

##### Consolidated

	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	14,373,275	3,474,772	600,283	220,736	107,413	2,500	18,778,979
Additions	688,875	327,423	334,435	33,836	15,953	-	1,400,522
Disposals	-	(501)	(196,660)	(508)	(3,773)	-	(201,442)
Depreciation expense	(246,725)	(417,441)	(166,335)	(43,722)	(53,433)	-	(927,656)
Revaluation decrease recognised in equity	514,200	-	-	-	-	-	514,200
<b>Carrying amount at the end of year</b>	<b>15,329,625</b>	<b>3,384,253</b>	<b>571,723</b>	<b>210,342</b>	<b>66,160</b>	<b>2,500</b>	<b>19,564,603</b>



# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 13 Trade and other payables

#### Current payables

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>CURRENT</b>				
Trade payables	350,811	426,089	349,430	413,340
GST Payables	47,103	109,480	100,071	45,211
Stamp Duty Payables	688,875	-	688,875	-
Other payables	78,701	80,738	76,226	80,738
<b>Amount payable to:</b>				
- wholly-owned subsidiaries	-	-	-	227,972
- associates	1,618	-	1,618	-
	<b>1,167,108</b>	<b>616,307</b>	<b>1,216,220</b>	<b>767,261</b>

### 14 Provisions

#### (a) Analysis of Total Provisions

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Current	1,590,538	1,475,145	1,590,538	1,475,145
Non-current	77,292	73,148	77,292	73,148
	<b>1,667,830</b>	<b>1,548,293</b>	<b>1,667,830</b>	<b>1,548,293</b>

#### (b) Movement in carrying amounts

##### Parent

	Employee entitlements	Total
	\$	\$
Opening balance at 1 January 2009	1,548,293	1,548,293
Additional provisions	119,537	119,537
<b>Balance at 31 December 2009</b>	<b>1,667,830</b>	<b>1,667,830</b>

##### Consolidated

	Employee entitlements	Total
	\$	\$
Opening balance at 1 January 2009	1,548,293	1,548,293
Additional provisions	119,537	119,537
<b>Balance at 31 December 2009</b>	<b>1,667,830</b>	<b>1,667,830</b>

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 15 Other Liabilities

#### Current

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Members Contributions in Advance	1,379,768	1,414,123	1,379,768	1,414,123
Accrued Expenses	902,149	641,729	902,149	641,729
Income received in advance	21,500	-	-	-
<b>Total</b>	<b>2,303,417</b>	<b>2,055,852</b>	<b>2,281,917</b>	<b>2,055,852</b>

### 16 Reserves

#### Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

### 17 Cash Flow Information

#### (a) Reconciliation of Cash Flow from Operations with Surplus

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Net income/loss for the period	491,450	2,404,475	(5,935,398)	1,106,849
Cash flows excluded from surplus attributable to operating activities				
IFRS adjustments on present value of financial instruments	452,121	(225,603)	(186,380)	110,081
Non-cash flows in surplus				
Depreciation	927,656	968,114	910,581	976,652
Net gain on disposal of property, plant and equipment	27,975	137,504	5,669,827	137,504
changes in assets and liabilities				
(Increase)/decrease in trade and term receivables	(248,092)	(506,278)	(169,372)	(314,447)
(Increase)/decrease in other current assets	12,087	13,633	12,088	12,175
(Increase)/decrease in inventories	29,031	5,672	29,031	5,672
Increase/(decrease) in trade payables and accruals	203,604	(913,528)	901,379	(1,030,944)
Increase/(decrease) in provisions	119,537	132,547	119,537	132,547
<b>Net Cash provided by (used in) operating activities</b>	<b>2,015,369</b>	<b>2,016,536</b>	<b>1,351,293</b>	<b>1,136,089</b>

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 18 Victorian Bushfire Fund

During 2009 year ETU VIC Branch, with the support of interstate branches, paid out an amount of \$147,438 to the members affected by the Victorian bushfire.

### 19 Key Management Personnel Compensation

#### (a) Compensation Practices

The committee's policy for determining the nature and amount of compensation for key management for the economic entity is as follows:

The compensation structure for key management personnel is governed by registered rules of the Electrical Division of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia. This information is publicly available from other sources.

#### (b) Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

<b>Key Management Person</b>	<b>Position</b>
Dean Mighell	State Secretary
Howard Worthing	Assistant State Secretary
Troy Gray	Assistant State Secretary
Gary Carruthers	Vice President
John Doran	President
Paul Swann	Treasurer and Branch Executive
Mark Farrell	Branch Executive
Graeme Watson	Branch Executive
Alex McCallum	Business Director

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 20 Change in Accounting Policy

#### Accounting Standards Issued/Amended

The following Australian Accounting Standards issued or amended and are applicable to the union but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Standard Affected	Outline of Amendment	Application Date of Standard	Application Date for the Entity
AASB 2007-3 Amendments to Australian Accounting Standards	AASB 5: Non-current Assets Held for Sale and Discontinued Operations	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing AASB 8: Segment Reporting in February 2007. These amendments will involve changes to segment reporting disclosures. However it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report as the association does not fall within the scope of AASB 8.	1 January 2009	1 July 2009
	AASB 6: Exploration for and Evaluation of Mineral			
	AASB 102: Inventories			
	AASB 107: Cash Flow Statements			
	AASB 119: Employee Benefits			
	AASB 127: Consolidated and Separate Financial Statements			
	AASB 134: Interim Financial Reporting			
	AASB: 136: Impairment of Assets			
	AASB 1023: General Insurance Contracts			
	AASB 1038: Life Insurance Contracts			
AASB 8: Operating Segments	AASB 114: Segment Reporting	As above	1 January 2009	1 July 2009

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 20 Change in Accounting Policy continued

#### Accounting Standards Issued/Amended continued

AASB Amendment	Standard Affected	Outline of Amendment	Application Date of Standard	Application Date for the Entity
AASB 2007-6 Amendments to Australian Accounting Standards	AASB 1: First-time Adoption of AIFRS  AASB 101: Presentation of Financial Statements  AASB 107: Cash Flow Statements  AASB 111: Construction Contracts  AASB 116: Property, Plant and Equipment  AASB 138: Intangible Assets	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. However, there will be no direct impact to the amounts included in the association as it already capitalise borrowing costs related to qualifying assets.	1 January 2009	1 July 2009
AASB 123: Borrowing Costs	AASB 123: Borrowing Costs	As above	1 January 2009	1 July 2009
AASB 2007-8 Amendments to Australian Accounting Standards	AASB 101: Presentation of Financial Statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in recognised income and expenditure.	1 January 2009	1 July 2009
AASB 101	AASB 101: Presentation of Financial Statements	As above	1 January 2009	1 July 2009

# Electrical Trades Union of Australia - Victorian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2009

### 20 Change in Accounting Policy continued

#### Accounting Standards Issued but not Applicable

All other pending Standards issued between the previous financial report and the current reporting dates have no application to the entity.

AASB Amendment	AASB Standard Affected
2004-3	AASB 1: First-time Adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 124: Related Party Disclosures
2005-1	AASB 139: Financial Instruments: Recognition and Measurement
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2005-9	AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2006-1	AASB 121: The Effects of Changes in Foreign Exchange Rates
New Standard	AASB 119: Employee Benefits; December 2004

### 21 Other Disclosures

#### Fair Work (Registered Organisations) Act 2009

##### Section 272

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

# Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2009

## 22 Union Details

### Registered office

The registered office of the union is:

Electrical Trades Union of Australia - Victorian Branch  
200 Arden Street  
NORTH MELBOURNE, VIC 3051

13 January 2010

Mr Dean Mighell  
Secretary, Victorian Branch, Electrical Energy & Services Division.  
CEPU  
PO Box 432  
NORTH MELBOURNE VIC 3051



Fair Work  
Australia



Dear Mr Mighell

**Lodgment of Financial Statements and Accounts – CEPU -  
Victorian Branch (Electrical, Energy & Services Division) - for year ended 31 December 2009  
(FR2009/10310)**

The financial year of the Victorian Divisional Branch has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension or an application for a certificate of exemption under the *Fair Work (Registered Organisations) Act 2009* ('the RO Act') is applied for and granted.

The documents you must lodge include:

- (i) A general purpose financial report [see section 253(2)]; (ii) A Committee of Management statement (see the General Manager's Reporting Guidelines); (iii) An operating report [see section 254(2)]; (iv) An auditor's report [see sections 257(5) to 257(11)]; and (v) A certificate of the *secretary or other designated officer* [see section 268(c)].

I draw your particular attention to

- (a) s237 which requires you to prepare and lodge a separate statement providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;
- (b) s265(5) which requires you to publish or otherwise provide your members with completed/signed copies of the audited accounts, report and statements before final presentation and lodgment; and
- (c) s266 which requires you to present the completed documents to an eligible meeting(s) (either of the members or of the committee, whichever applies). Note that this meeting (or series of meetings) is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or wish to clarify any aspect of the relevant legislation, or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett  
Statutory Services Branch

Fair Work Australia  
Level 8, 80 William Street  
EAST SYDNEY NSW 2011

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